



Dear Council Delegates,

At our upcoming Society Council you will be asked to consider amendments to our union's constitution and by-laws on each of the two Council meeting days. As your Principal Officers, we encourage you to read the amendments. Additionally, we want to provide insight into what these changes are intended to do and why we, like the Executive Board, believe Council Delegates should support sending them to a referendum of the members.

The proposed amendments in this package reflect decades of experience and the realities of operating a larger, more sophisticated and modern democratic union than when the constitution and by-laws were last updated in 2002. The amendments broadly fall into five categories:

1. Financial management: Improved stewardship of The Society's financial assets and investment strategy
2. Principal Officer structure: Modify the Principal Officer structure to free the elected leaders to focus on the strategic leadership of our organization and to ensure the professional management of our resources
3. Democratic process: modernizes, standardizes and clarifies the election process
4. Creating room to grow: updating the definition, rights and dues obligations of a member to accommodate new bargaining units within our union
5. Constitution Interpretation: place responsibility in the most knowledgeable leaders and introduce democratic oversight
6. Rename and rebrand: Council will be presented with a new name and brand for our union

Financial Management

The Society has a responsibility to carefully manage the financial assets with which we are entrusted. To do so properly requires both robust oversight and the agility to make decisions based on the circumstances. We are improving our union's stewardship of our assets by taking rigid financial management rules out of the constitution and by-laws and instead developing policies that can be adapted over time to reflect our financial strategy.

An example of why we want to move in this direction: The Society is presently required to hold the equivalent of six months of operating expenses to guard the organization's financial health. That is an intelligent requirement and one that will continue to be in place if these constitution and by-law amendments are adopted. However, the current rules require this reserve fund to be held in a simple chequing account. This is money that could be earning a reasonable interest rate in low-risk, liquid financial instruments, such as treasury bills, to offset the impact of inflation. The amended constitution and by-laws, combined with new financial management policies, will allow the union to better invest members' funds with both the prudence and sophistication they expect to secure our financial future.

Principal Officers Structure

The structure of the Principal Officers was reviewed with the intention of enhancing accountability for delivery of strategic plan objectives. The amendments propose reducing the number of Principal Officers from four to three, realignment of Principal Officer responsibilities and the appointment of a professional Chief Financial Officer.



The new structure clarifies the President's overall accountability for the union and eliminates one Executive Vice President (EVP) role while changing the EVP Finance role to one called Secretary-Treasurer. In doing so, the Secretary-Treasurer would remain responsible for the financial strategy, risk and compliance work of our union but places implementation of the strategy and day-to-day management of our complex assets where it belongs: in the hands of a professional. Introducing a CFO to the executive team allows Principal Officers to focus on the strategic leadership of our union and ensures the best long-term management of our finances. A single EVP will fill out the Principal Officer team by taking on many of the responsibilities of the present EVP Member Services portfolio.

Democratic Process

A lot has changed since 2002 but one thing that has essentially stayed the same is The Society's election process. Since that time, the number of small locals has increased significantly, electronic voting has become reliable and secure, and we have learned through experience about the shortcomings of the election process we adopted 15 years ago. These evolutions along with real life experience in the current regime led us to update the elections provisions of the constitution and by-laws.

A bedrock principle of the new election process is that we believe voters ought to have the opportunity to cast an informed vote. To that end, we have created a campaign period distinct from the voting period. We have also put forth proposals that encourage all candidates meetings and more rigorously regulates communication during campaigns to focus candidates on informing voters. This will see the use of Executive Board-approved candidate surveys rather than rebuttals.

Being able to hold candidates accountable isn't worth much without the ability to hold elected leaders accountable. Occasionally members seek to remove their elected leaders and have a new vote. In the current system, a petition of 25% of the constituents of a given elected leader can instigate a new vote. However, this provision leaves the union open to never-ending elections if a committed minority is unhappy with the results. To avoid this, the first petition for a new election will continue to require 25% of constituents to sign a petition to that effect. However, any additional petition for a new election for the same office would require 50% of constituents to sign the petition for a new election.

The election procedures have also been updated to make sure that nomination and other rules are as similar as possible for all elected offices. We are also leveling the playing field for non-incumbents by requiring incumbents to also obtain nomination signatures.

A frailty of the existing regime that this package seeks to fix is the suggestion in the by-laws that every local election must have a Deputy Returning Officer (DRO). It is not always possible to find a willing individual to fill this volunteer position, particularly at smaller locals. The new provisions reinforce that the Chief Returning Officer has the overall authority and accountability of elections and referenda, including the ability to conduct a local election without a DRO in the event a DRO cannot be secured.

Finally, the amendments seek to expedite rulings on the election provisions of the constitution, by-laws and policy during the campaign and voting periods. Current practice is that the Chief Returning Officer's (CRO) decisions are reviewable by the Constitution Interpretation Committee (CIC). Swift decision-making is essential during elections. Given the updates to the Constitution and Bylaws and the introduction of a



detailed elections procedure, coupled with the CRO's accountability to Executive Board, we believe that there are sufficient checks and balances to entrust these powers to the CRO without CIC review.

Making room to grow

To accommodate new bargaining units and a diverse range of professionals, we seek to update the definition and rights of a member in a manner that is sensitive to the entire process of adding a bargaining unit – from organizing to first contract. Additionally, a new dues structure is proposed for new bargaining units only. The new system recognizes the diversity of professionals' incomes, making Society membership more appealing.

Constitution Interpretation Committee

A unique feature of The Society's constitution is the Constitution Interpretation Committee. However, the CIC has had few opportunities to perform its intended function because interpretation disputes are rare. Further, while its volunteer members have done an extraordinary job under the circumstances, the CIC is not positioned to succeed. The CIC is appointed annually, which can result in frequent turnover. Combined with the rarity of constitutional disputes, the CIC is not in the best position to do what is demanded of it. We looked at other unions to see if there is a better model and found that the common practice is for the President to be responsible for interpreting the constitution. As a check on this power, if a disagreement arises with the President's interpretation it can be overturned by a vote of the Executive Board. That is the system we propose for The Society.

Rename and rebrand

The Society of Energy Professionals has come a long way in the first generation since the break-up of Ontario Hydro. We are now a union of professionals rather than strictly a union of energy professionals. It is time to update the image we project to our members and those beyond our union to reflect who we are today and position us for smart growth as we prepare for the challenges ahead. Over the past year, your leadership has been working on a new brand, which we came to realize necessitates a new name. That name and brand, which build on the traditional Society values our members hold dear, will be revealed on the second day of our Council meeting. While you won't find the motion in this package, a motion to amend the constitution and by-laws will be moved to give effect to the new name.

Thank you for taking the time to learn about the constitution and by-laws amendments your Executive Board is proposing to Council. As your elected leadership team, we are confident that this package of changes will improve our union today and for those who come after us. We encourage you to support all of the amendments at Council.

Please be in touch with any of us if you have any questions or comments.

In solidarity,

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President

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EVP Member Services

Rob Stanley
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